

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5847-01
Bill No.: HB 2464
Subject: Veterans; Higher Education
Type: Original
Date: April 4, 2016

Bill Summary: This proposal allows dependents of all honorably discharged veterans who served in this state to have resident student status for admission and tuition purposes at public institutions of higher education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
College & University	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight notes that currently in §173.1155, dependents of active duty military personnel, reservists or guard members, assigned to a duty station in Missouri, are allowed to receive in-state tuition at Missouri public higher education institutions. Oversight is unable to determine how many dependents currently receive this in-state tuition rate.

Oversight notes this proposal would expand this program to allow dependents of honorably discharged veterans that were ever assigned to a permanent duty station or workplace in Missouri to also receive this in-state tuition rate. Oversight is not able to determine how many additional dependents would be eligible for this program.

Oversight notes that tuition at the University of Missouri for 14 credit hours is estimated to be \$10,586 for in-state students and \$25,198 for out-of-state students. Oversight notes that the University of Central Missouri charges \$214.85 per credit hour for in-state students and \$429.70 for out-of-state students. Oversight is unable to determine how many active duty military members pay out-of-state tuition. Additionally, Oversight is unable to determine if the institutions currently have programs that would lower the amount paid by active duty military when they enroll as a student.

Oversight notes that due to the availability of virtual education at our higher education institutions, dependents of honorably discharged veterans who were ever assigned to a duty station in Missouri but are not currently stationed in Missouri could also chose to participate in this program. Oversight is unable to determine how many additional dependents would be eligible.

Oversight will show an Unknown revenue reduction for the Colleges and Universities.

Officials at the **Department of Higher Education** assume there is no fiscal impact from this proposal.

ASSUMPTION (continued)

Officials at the **Missouri State University** assume a negative fiscal impact the extent of which is unknown at this time.

Officials at the **State Technical College of Missouri** assume little to no impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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COLLEGE & UNIVERSITY FUNDS

<u>Revenue Reduction</u> - tuition assessed at in-state level	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

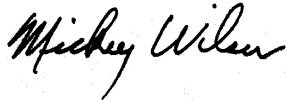
FISCAL DESCRIPTION

Currently, all dependents of active duty military personnel, or activated or temporarily mobilized reservists or guard members, assigned to permanent duty station or workplace in Missouri are deemed domiciled in Missouri for the purpose of eligibility for instate tuition at public institutions of higher education in Missouri. This bill adds all dependents of honorably discharged veterans who were ever assigned to a permanent duty station or workplace in Missouri to those individuals who are deemed domiciled in Missouri for the purpose of eligibility for in-state tuition at public institutions of higher education in Missouri.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education
Missouri State University
State Technical College of Missouri

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 4, 2016

Ross Strobe
Assistant Director
April 4, 2016